GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:5003
ANSWERED ON:26.04.2002
SUGAR DEVELOPMENT FUND
PRAKASH V. PATIL

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether some sugar factories have applied for loan from Sugar Development Fund for production of Ethanol;

(b) if so, the details of loan applications received, State-wise, and the quantum of funds available with the Sugar Development Fund for this purpose;

(c) whether all the loan applications, particularly in Maharashtra, will be covered, and

(d) if not, what action is proposed by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a),(b),(c)&(d): The existing provisions of the Sugar Development Fund Act, 1982 (SDF Act) do not provide for the Fund being applied for making loans to sugar factories for the production of ethanol. Accordingly, the Sugar Development Fund Rules, 1983 (SDF Rules), framed under the SDF Act 1982, do not presently provide for loans for such purpose.

Government has introduced a Bill in Parliament to amend the SDF Act 1982, inter-alia, to apply the Sugar Development Fund for making loans to any sugar factory or any unit thereof for production of anhydrous alcohol or ethanol from alcohol with a view to improving their viability.

A few sugar factories have informed this Ministry about their projects for manufacture of ethanol and their requirement for financial assistance from the SDF. However, presently under the Sugar Development Fund Act, 1982 & the SDF Rules, 1983 there is no provision to fund such activity from the SDF.